

Minutes of the **Freestanding Committee of the Whole (Corporate Services Committee - Budget) meeting** of the **DISTRICT OF MISSION** held in the Council Chambers of the Municipal Hall, 8645 Stave Lake Street, Mission, British Columbia, on Wednesday, September 16, 2015 commencing at 1:00 p.m.

Committee Members Present: Mayor Randy Hawes
Councillor Pam Alexis
Councillor Carol Hamilton
Councillor Jim Hinds
Councillor Rhett Nicholson
Councillor Danny Plecas
Councillor Jenny Stevens
(Joined the meeting at 1:50 pm)

Staff Members Present: Ron Poole, Chief Administrative Officer
Rogine Battel, RCMP Office Manager
Kris Boland, Manager of Finance
Michael Boronowski, Manager of Civic Engagement and
Community Initiatives
*Inspector De Jager, Mission RCMP Detachment
(via conference call)
Rick Grant, Assistant Operations Manager
Dave Heyes, Manager of Forestry Business
Jay Jackman, Manager of Assets, Infrastructure & Projects
Stephanie Key, Deputy Director of Parks, Recreation and
Culture
Chris Knowles, Manager of Information Services
Tracy Kyle, Director of Engineering & Public Works
Maureen Sinclair, Director of Parks, Recreation & Culture
Kerri Onken, Deputy Treasurer/Collector
Scott Ross, Manager of Accounting Services
Jennifer Russell, Deputy Corporate Officer
Chief Watkinson, Mission Fire/Rescue Service
Mike Younie, Deputy Chief Administrative Officer
Debi Decker, Administrative Assistant
Haylee Gould, Administrative Assistant
*Present for a portion of the meeting

Members of the Public: 0

Members of the Press: 0

1. CALL TO ORDER

The meeting was called to order.

2. ADOPTION OF AGENDA

COW15/038
SEPT 16/15

Moved by Councillor Plecas, seconded by Councillor Alexis, and

RESOLVED:

That the September 16, 2015 Corporate Services Committee (budget) meeting agenda be adopted.

CARRIED

Councillor Hamilton assumed the chair.

3. CORPORATE SERVICES

COW 15/039
SEPT 16/15

2016 Budget Overview - Power Point Presentation

The Deputy Treasurer/Collector gave a presentation on the 2016 budgeting process, where we are in that process, what to expect at future budget meetings and what is on today's agenda.

COW 15/040
SEPT 16/15

Reserve Fund Balances

A report dated September 16, 2015 from the Manager of Finance regarding the balances of the District's reserve funds was provided for the committee's information to assist during the 2016 capital budget discussions on this agenda.

Discussion ensued on the various reserve funds, with staff clarifying the following:

- Gaming Reserve fund – approximately \$100,000 per year of the \$500,000 funds we receive are currently uncommitted.
- RCMP Reserve fund – this reserve does not allow for direct deposits from taxation revenue, but does allow for transfer from the RCMP budget surplus.
- Roads Capital Reserve fund – at the last budget meeting, the committee approved the strategy of redirecting \$800,000 from the Roads Capital Reserve to the General Capital Reserve fund leaving \$100,000 per year to help build the reserve up.
- Gaming Reserve fund – the only restrictions from the Host Financial Assistance Agreement and Council Policy on the spending of funds within this reserve is that the monies must be for any municipal purpose as approved by Council.
The reason we have a separate Gaming Reserve fund and do not include gaming revenue into the General Operating fund is that administratively, it is easier to track the spending of gaming revenue for reporting purposes.
- Legal Reserve fund – this reserve is above the optimum amount, but in terms of legal matters, is not over by a large amount. Staff have discussed the transfers to this fund and are weighing options, which will be relayed to the committee.
- Equipment Reserve fund – each year staff review the vehicles to be replaced to determine whether or not the purchase can be deferred for a year or two. If so, then purchases are deferred. In the case of some of the fire vehicles, they are on a specific lifespan cycle and their purchase cannot be deferred. This is partially why the purchases are higher in some years and lower in others.

- Community Amenities Reserve fund – Community amenities are governed by District Policy LAN.40, which has the list of the current amenity projects that this reserve can be used for. This policy was last updated in 2010. The current community amenity fee is \$2,815 per new residential unit.
- Parkland Reserve fund is a statutory reserve fund, with conditions set out in the *Community Charter* and the *Local Government Act*.
Staff will report back to Council on the difference between *passive* and *active* parkland.

Staff responded to the following questions from the committee:

- Having a recharging station for electrical vehicles installed within the District is on staff's radar, and that there are grants available for this project.
Staff advised they will follow-up on this item.
- Vehicles that are past their lifespan are sold at auction, or if possible, placed elsewhere within the municipality. The proceeds from the sale of vehicles are returned to the Equipment Reserve fund.
- Development Cost Charges – if there is no development (growth) within a specific area, infrastructure projects can be put on hold; however, some infrastructure needs to be completed so that development can proceed. In these cases, funds are borrowed internally, and then when the DCC revenue is received, the internal debt is paid off.

The DCC bylaw captures costs for infrastructure projects at the time of the bylaw, and as costs increase (inflation), or there are changes to growth patterns, population, etc. the bylaw needs to be updated. Staff are currently working on starting this DCC review process by the beginning of 2016.

The District's cost share percentage for DCC projects is 1%.

COW 15/041
SEPT 16/15

Background Information on Capital Plans

A report from the Deputy Treasurer/Collector dated September 16, 2015 was presented to provide Council with background information on the District's capital plans and to provide context during the 2016 capital plan discussions.

Discussion ensued around the regional recycling depot and the status of the MMBC (multi-material British Columbia, a non-profit products stewardship agency).

Staff confirmed that talks continue around the MMBC status, and will keep Council apprised of the situation.

COW 15/042
SEPT 16/15

Draft 2016 Equipment Capital Plan

A report was provided from the Deputy Treasurer/Collector dated September 16, 2015 for the committee's discussion consideration to include the 2016 Equipment Capital Plan, (the report's Appendix A), into the 2016 - 2020 Financial Plan.

Staff provided the following information when questioned:

- Three dump trucks are being purchased in 2016 as the District will receive a better per unit pricing when more than one vehicle is purchased.
- Any new vehicle has to have a separate funding source (for the initial purchase) and then that vehicle would be included in the replacement program funded through the Equipment Capital Plan.

- When vehicles are being replaced, all options are looked at, hybrid, electric, etc. as well as the lifecycle costs for a hybrid or electric vehicle.

The committee discussed the equipment capital plan and it was:

Moved by Councillor Stevens, and

RECOMMENDED: That the 2016 Equipment Capital Plan, attached as Appendix A (2016 Equipment Capital Plan and Reserve Projections) to the report from the Deputy Treasurer/Collector entitled Draft 2016 Equipment Capital Plan, be approved for inclusion in the 2016 - 2020 Financial Plan.

CARRIED

Inspector De Jager joined the meeting via conference call at 2:05 pm.

COW 15/043
SEPT 16/15

RCMP Building Upgrades

A report dated September 16, 2015 from the RCMP Inspector regarding hiring a consultant to study and plan necessary building renovations for the Mission RCMP Detachment building was provided for the committee's consideration and discussion.

Staff clarified the following:

- This recommendation is for a study only and not the actual work that will be required.
- The Cornerstone review that was completed in 2009 was to determine what we need in the next couple of decades taking into account growth, whereas this study will see what we need to do to get the detachment to the next phase, not additional space but making the existing space more efficient.

The committee discussed:

- The need to spend money on a facility that may be redundant in three to four years.
- Should the study provide options for the future growth of the detachment?
- When to make the determination of whether or not a new building is required in the future and whether the building is a stand-alone police detachment or part of a bigger civic complex.
- The fact that whether or not there is a new facility or additions to the current facility, there needs to be design and security changes made to the existing building now.

The committee requested that staff make arrangements for Council to have a tour of the Detachment, to get a better understanding of the report.

The committee discussed the issue and it was:

Moved by Councillor Hinds, and

RECOMMENDED:

1. That a consultant be hired to a contract of not more than \$30,000 to study and plan necessary building renovations for the Mission RCMP Detachment building. These upgrades are not part of the current structural and mechanical upgrades required as a result of legislation. The renovations are required to enable continuing operations in the building through the year 2018;

2. That the required \$30,000 for the study be funded from savings in the 2015 RCMP operating budget; and
3. That the District's 2015 Financial Plan be amended accordingly.

CARRIED

The conference call with the Inspector ended at 2:15 pm.

COW 15/044
SEPT 16/15

Pavement Management Program Funding Update

Reference was made to the report deferred from the September 9, 2015 Freestanding Committee of the Whole – Corporate Services – Budget meeting, requesting the committee to consider approving the current funding level for the pavement management program in 2016.

With regards to today's quality of road construction, staff commented:

- Roads have heavier vehicles and loads, plus more traffic travelling on them that can damage the pavement sooner than expected.
- Nowadays, it is realized that road or pavement maintenance will help extend the life of a road, where twenty-five years ago, pavement management technology wasn't as advanced.
- Roads that show signs of deterioration shortly after repaving may have needed additional reconstruction works.

The committee discussed the issue and it was:

Moved by Mayor Hawes, and

RECOMMENDED:

1. That the current funding level for the Pavement Management Program be maintained in 2016; and
2. That staff undertake a thorough review of the Pavement Management Program and funding strategy for the 2017 budget process.

CARRIED

COW 15/045
SEPT 16/15

Sidewalk Program Update

A report from the Director of Engineering and Public Works dated September 16, 2015 was provided to update Council on the District's Sidewalk Program, including the program's challenges.

Staff provided comments on:

- Sidewalks to elementary and middle schools. A discussion needs to take place with the School Board prior to sidewalks being installed.
- A Transportation Master Plan is expected to be completed later this year. A report to Council and an opportunity for discussion on pedestrian routes will be provided at that time.
- Local Improvement Program. An information package is being prepared for residents who would like a sidewalk installed on their street.

COW 15/046
SEPT 16/15

Ancillary Structure at Municipal Hall

A report from the Director of Engineering and Public Works dated September 16, 2015 was provided for the committee's consideration and discussion to approve funding for the purchase and installation of a modular ancillary structure at the Municipal Hall.

The benefits of leasing versus purchasing a pre-owned or new modular ancillary unit were discussed. The committee requested that staff look into these options and choose the option that is most economical.

After the discussion it was:

Moved by Mayor Hawes,

RECOMMENDED:

1. That funding in the amount of \$216,000 be approved for the purchase and installation of a modular ancillary structure at the Municipal Hall;
2. That the funds required come from the General Capital Reserve Fund; and
3. That the District's 2015 Financial Plan be amended accordingly.

CARRIED

COW 15/047
SEPT 16/15

Draft 2016 General Capital Plan and Unfunded Capital Projects

A report dated September 16, 2015 from the Deputy Treasurer/Collector regarding the draft 2016 General Capital Plan and Unfunded Capital Projects was provided for the committee's consideration and discussion.

Staff clarified the following:

- Appendix A is the list of all the capital projects previously approved for 2016, all with a funding source. This listing was included within the 2015-2019 Financial Plan.
- Appendix B is the list of all the capital projects put forth by staff that do not have a funding source, and these projects are not approved without having a funding source identified.
- Appendix C is the list of capital projects, that originated from Appendix B, that have a proposed funding source and that staff recommend should be included in the 2016 General Capital Plan.

Discussions on Appendix A ensued with the following comments:

- Information Services projects include upgrading the telephone system; and new computers.
- General Drainage – if a drainage utility is approved, the funding for these projects (General Capital Reserve) may carry-over to the utility, or projects could be funded through the new reserve.

Discussions on Appendix B ensued with an expectation that Council's strategy would be made clearer to staff so that unfunded projects could be reviewed and amended as necessary.

Discussion on Appendix C ensued with staff pointing out that if the Wild Fire Bush Truck is approved, there would be \$24,000 that will be added to the 2016 operating budget.

The committee discussed the capital projects and it was:

Moved by Councillor Alexis, and

RECOMMENDED:

1. That the 2016 General Capital Plan as attached as Appendix A to the report dated September 16, 2015 from the Deputy Treasurer/Collector entitled Draft 2016 General Capital Plan and Unfunded Capital Projects be approved for inclusion in the 2016 - 2020 Financial Plan; and
2. That the unfunded capital projects and recommended funding sources noted in Appendix C in the Draft 2016 General Capital Plan and Unfunded Capital Projects report from the Deputy Treasurer/Collector dated September 16, 2015 be approved for inclusion in the 2016 - 2020 Financial Plan.

CARRIED

4. ADJOURNMENT

COW15/048
SEPT 16/15

Moved by Mayor Hawes, seconded by Councillor Alexis, and

RESOLVED: That the meeting be adjourned.

CARRIED

The meeting was adjourned at 3:30 p.m.



RANDY HAWES
MAYOR



MICHAEL YOUNIE,
CORPORATE OFFICER